

# **GLOBAL SUPERSTORE SALES ANALYSIS**

# Business Problem

Global superstore wants to know what works best for them in terms of sales and making profits. The analysis identifies:

1. Global Superstore's most and least profitable product categories.
2. Segment analysis of sales and profit.
3. Geographical analysis of sales and profit.
4. Financial Performance trend over the years.

The superstore can choose to remove non-profitable products or invest in marketing efforts for products, segments and geographical areas that are driving their profit.

# Category Analysis

Products in Global Superstore are divided in 3 main categories: Technology, Furniture, and Office Supplies.

## Total Sales

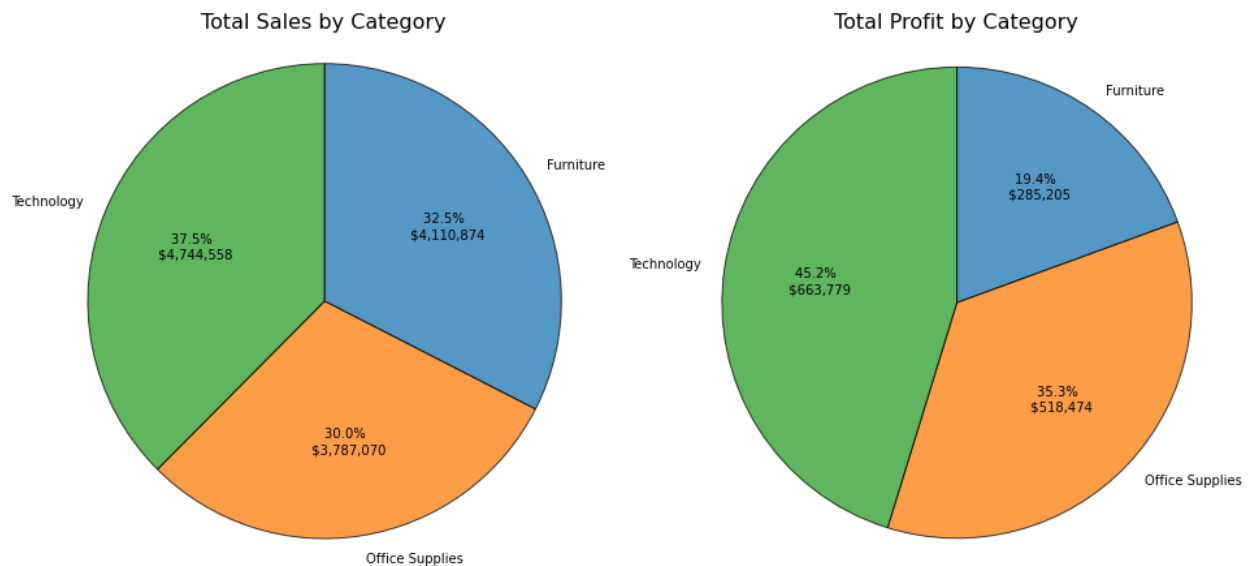
The sales are almost divided equally among the three categories. Each category account for over 30% of total sales.

1. Technology at 37.5%
2. Furniture at 32.5%
3. Office supplies at 30%

## Total Profits

Interestingly, Furniture has a significantly lower percentage of profits raked in compared to its share of percentage sale.

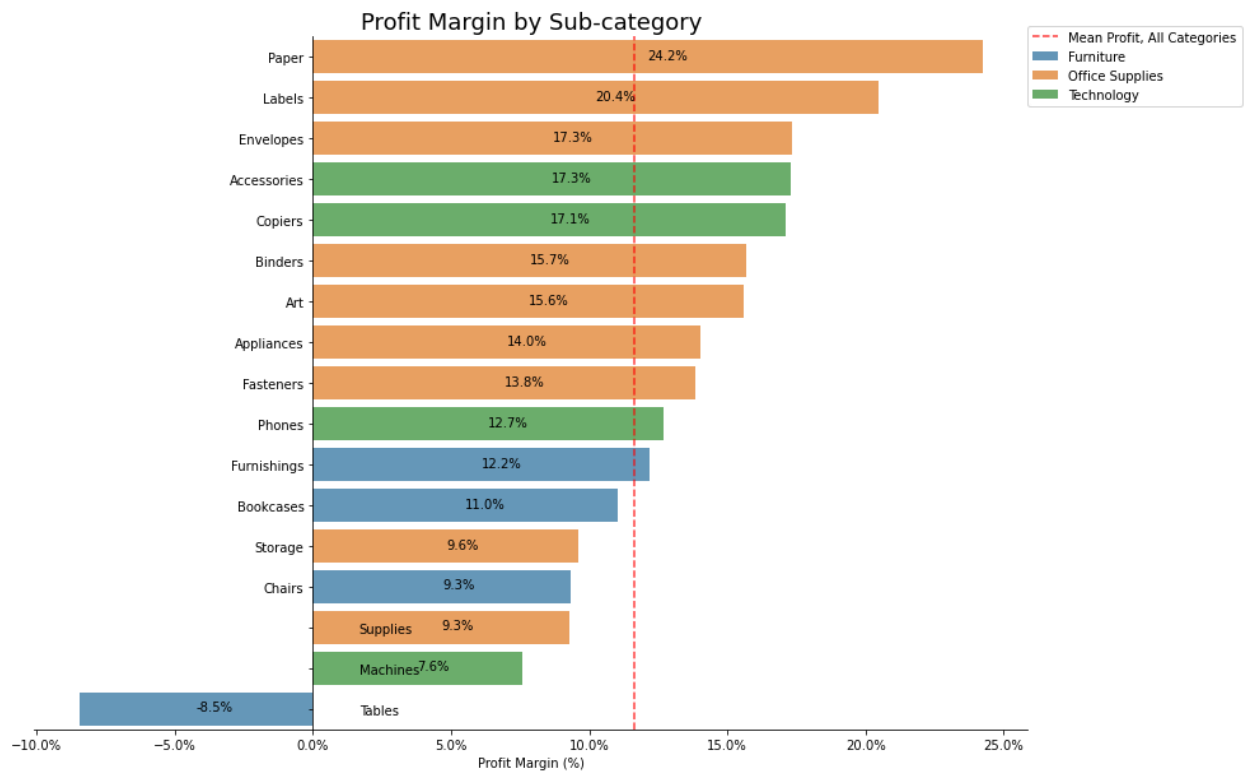
1. Technology at 45.2%
2. Office supplies at 35.3%
3. Furniture at 19.4%



# Sub-Category Analysis

TECHNOLOGY	OFFICE SUPPLIES	FURNITURE
Accessories	Papers	Furnishings
Copiers	Labels	Bookcases
Phones	Envelops	Chairs
Machines	Binders	Tables
	Art	
	Appliances	
	Fasteners	
	Storage	
	Supplies	

Which subcategories contribute to lower profits for furniture and which sub categories contribute to higher profits for the Technology category?



Only one sub category is making a loss. That is table's subcategory from the furniture category. This explains the low profit percentages from the furniture category despite high sales.

Mean profit margin is at 11.6 % the top three highest profit margins are in the office supplies sector. 11 out of 17 subsectors have profit margins above the mean profit margin.

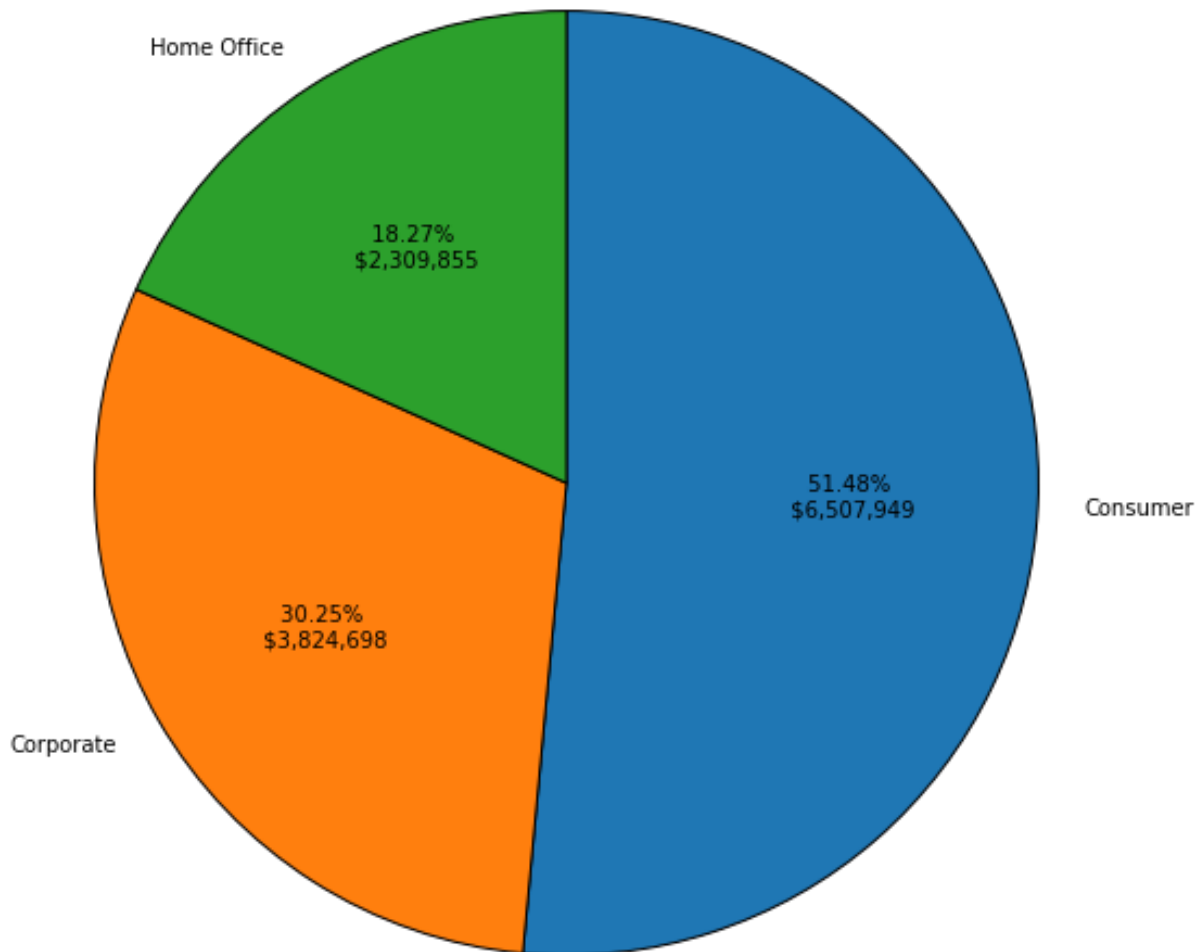
# Segment Analysis

## Total Sales

Global superstore has 3 customer segments. Consumer, Corporate and Home Office. Consumer segment is the largest customer base which accounts for over half of total sales.

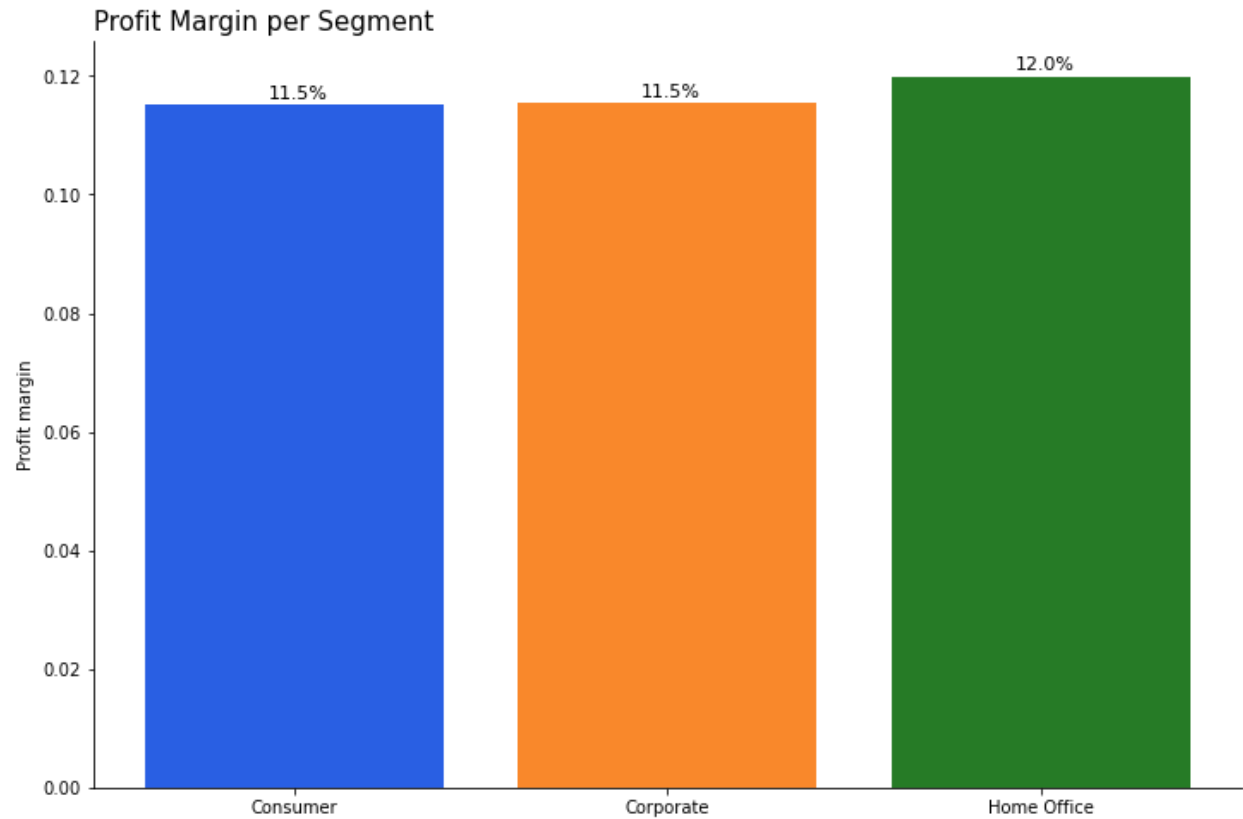
1. Consumer segment - \$6507949 - 51.48%
2. Corporate segment - \$3824698 - 30.25%
3. Home Office - \$2309855 - 18.27%

## Share of sales per segment



# Profit Margins in Segments

The three segments have close profit margin percentages. Home Office has the highest profit margin percent of 12%. Both consumer and corporate segments have equal percent margins of 11.5%



# Geographical Market Location Analysis

*Global market locations*

**APAC** Asia Pacific Market. Encompasses East Asia, South Asia, Southeast Asia, and Oceania.

**EU** European Union.

**US** United States Market

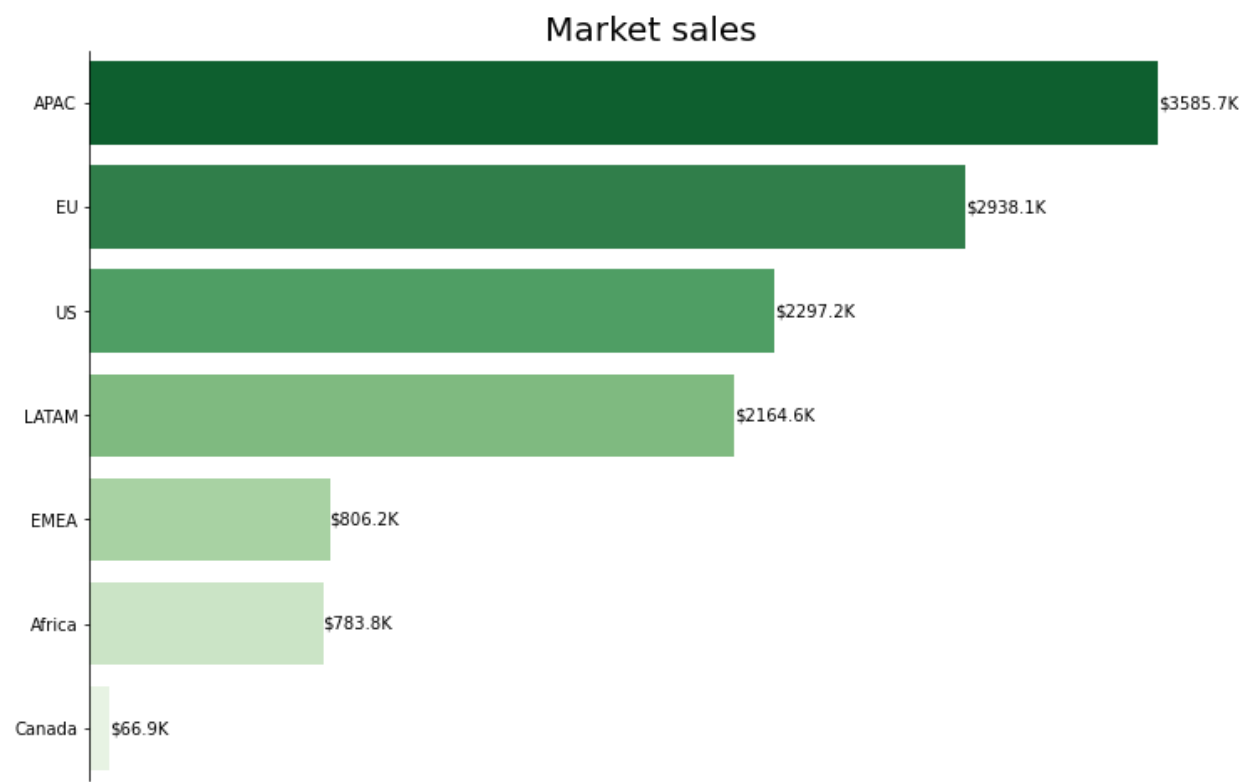
**LATAM** Latin American Markets

**EMEA** The (Europe, Middle East, Africa) market

**Africa** African market

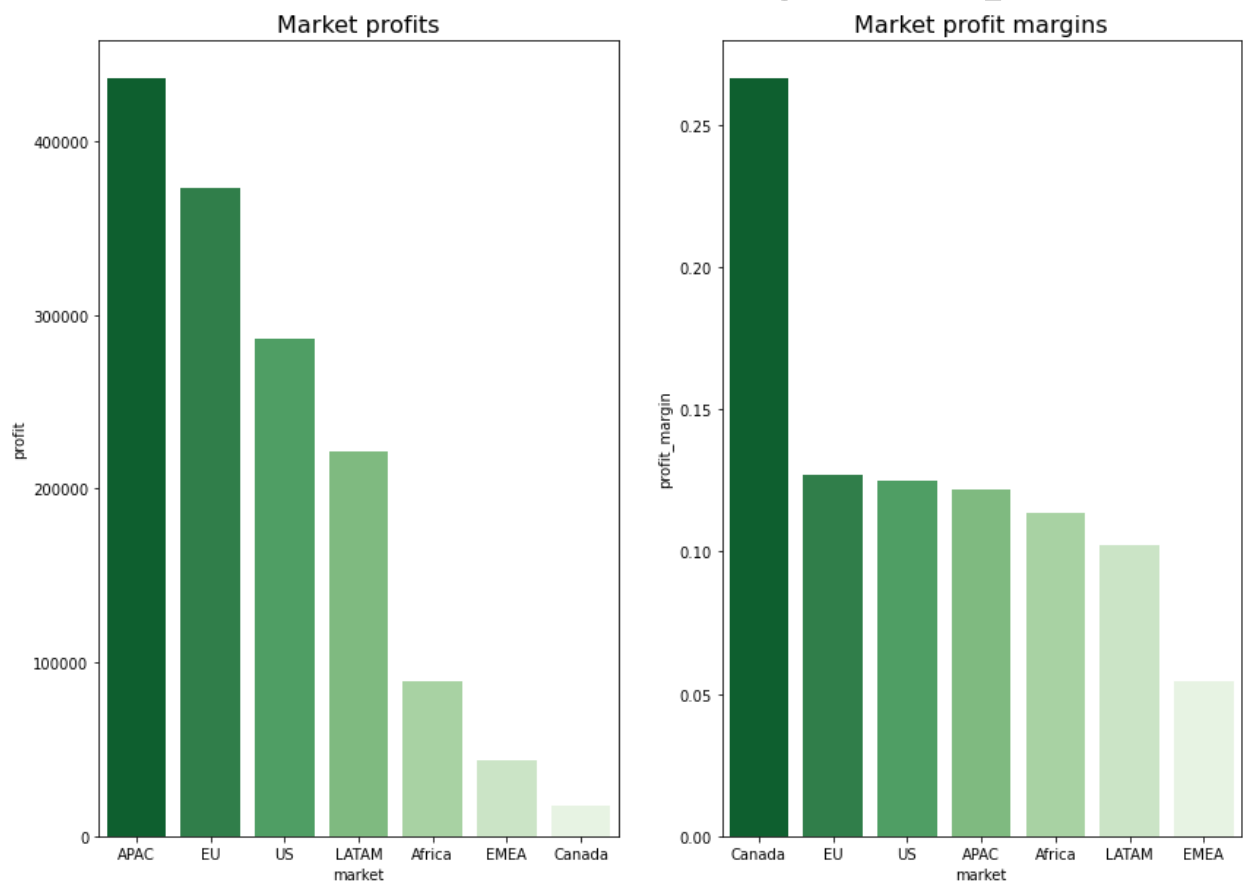
**Canada** Canada

How do sales compare in different locations?



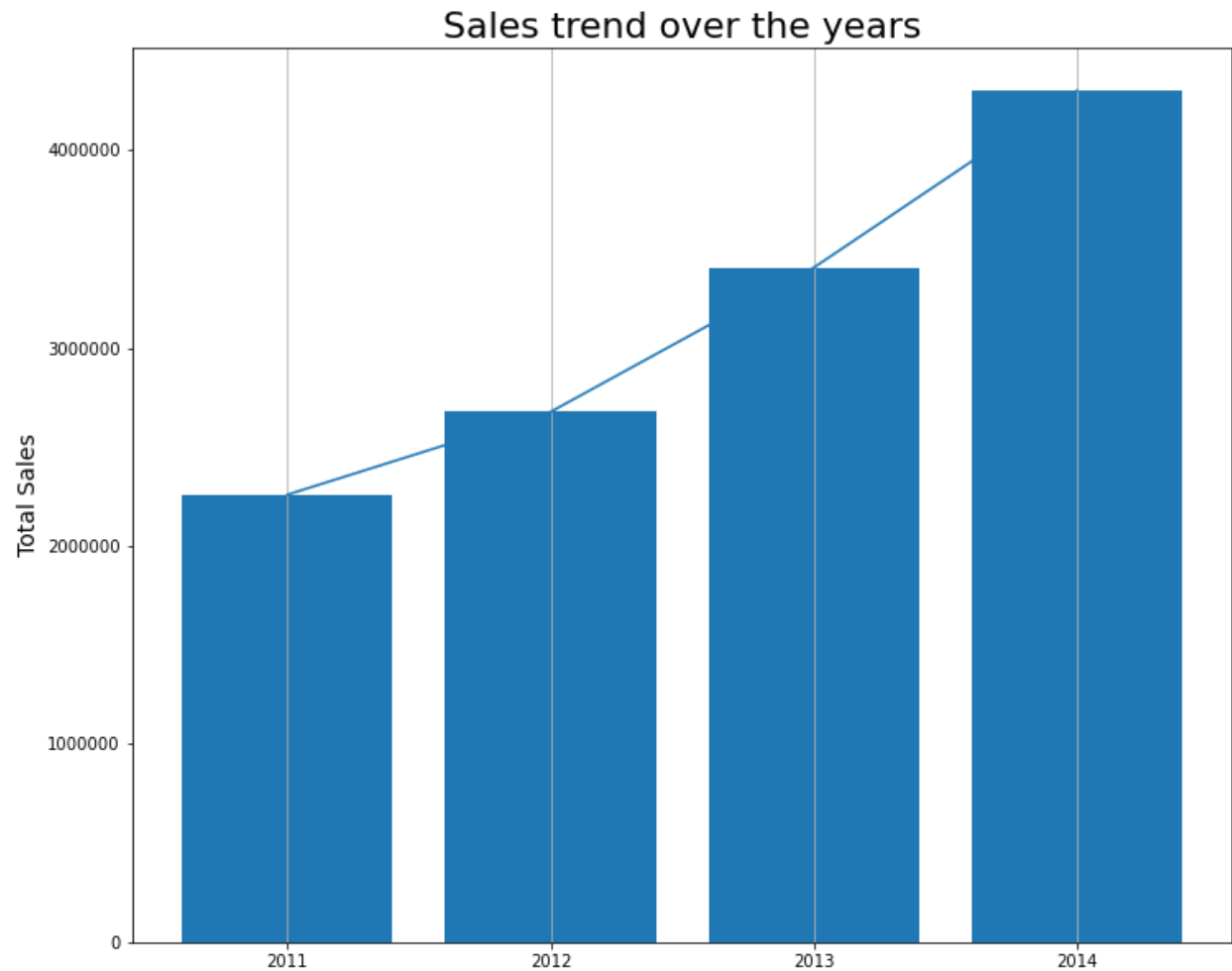


# Market Profits and Profit Margin Comparison

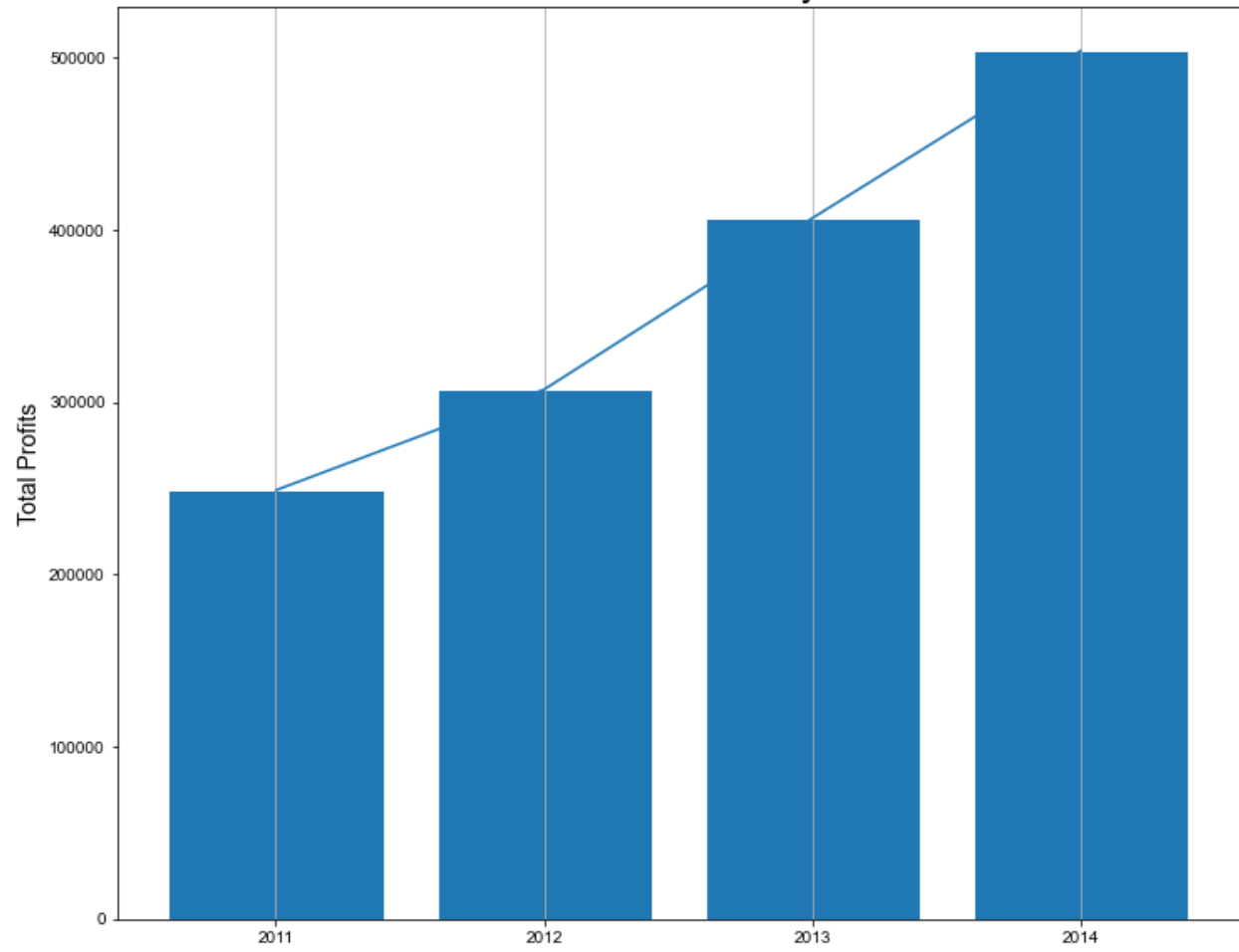


# Financial Performance Trend over the years

Both sales and profits have had a gradual upward trend since 2011.



Profit trend over the years



# Analysis Insights

## 1. Categories and sub categories.

The three categories all account for over 30% of sales. Technology-37.5%, Furniture-32.5%, Office Supplies 30%. Technology accounts for the highest total profits (almost half) at 45.2%. Office supplies profits are at 35.3% while furniture is at 19.4% profit.

Why do furniture contribute to such low profits yet has high sales?

Furniture category has 4 subcategories ('Furnishes', 'bookcases', 'chairs', and 'tables') Only 'Furnishes' (12.2%) has a profit margin above the average profit margin of sub-categories (11.6%). Bookcases has an 11% profit margin, and chairs 9.3%. Tables sub-category is infact making a loss. It records a -8.5% profit margin. This is where Global Superstore is losing money.

## 2. Segments

Global superstore has three main segments. Consumer, Corporate and Home office. The consumer segment accounts for over 6.5Million dollars in sales 51.48%. Corporate 30.25% while Home Office 18.27%. Profit margins among the segments is almost equal. Both consumer and corporate have 11.5% profit margins. Home Office segment has a 12.5% profit margin. In all segments, sale demand decreases from technology, furniture and office supply in that order.

## 3. Geographical Markets

Global stores largest market is APAC.

The Asia Pacific market at \$3585.7K,

Then the EU market \$2938.1K,

The US market \$2297.2K,

LATAM \$2164.6K,

EMEA \$806.2K,

Africa \$783.8K,

Canada \$66.9K.

Canada has the lowest sales but highest percent profit margins among the markets. Global stores has a presence in major markets with profit margins mainly ranging between 10% to 14%. EMEA market has an uncharacteristic low profits and lower profit margin than the rest of the markets.

#### 4. Chronological financial trend

Global stores has experienced growth in sales and profits gradually from 2011 to 2014. If this trend continues, the future is bright for the business.

## Recommendation

From the analysis, the table's sub-category is making losses. Only 20 out of 170 table types generate a profit margin that is higher than the company's average profit margin. Global stores can continue selling the 20 profitable unique tables. On the other hand, the loss making tables can be gradually removed from the online shelves for higher profitability.